## Procurement of Workers Compensation Insurance - DEAB

## **Board Policy Adopted**

Pursuant to Utah Code Annotated § 63-56-208(1)(b), the Board elects to adopt its own policy regarding procurement of workers compensation insurance in lieu of those policies adopted by the State Policy Board.

## **Procurement of Workers Compensation**

Pursuant to Utah Code § 63g-6a-107(1)(c), Ann. § 63-56-408(1)(b)(iii), the Utah procurement Code does not apply to contract between procurement units. ‡Accordingly the Board determinehas determineds that it is not advantageous to the District to procure workers compensation insurance for employees of the District through competitive sealed bidding or competitive sealed proposals the standard procurement process. Rather, †The Board elects to secure workers compensation insurance coverage through joining a pool by pooling withof other school districts in the state in forming an independent workers compensation association; thus allowing the District to more directly control and monitor its insurance cost as well as being able to develop and implement safety programs tailored specifically to the needs and characteristics of its employees. Participation in the pool also allows the District to realize cost savings by being grouped with similar risks rather than with other dissimilar businesses. For these reasons, the Board finds that the standard procurement process for workers compensation insurance would not be advantageous to the District.

The Board determines that procurement of workers compensation insurance through bidding or requests for proposals is not advantageous to the District because insurance available through those means does not provide the opportunity to closely control and monitor the costs of insurance claims, or the opportunity to develop and implement safety programs for District employees with more direct and immediate impact upon insurance cost savings.

By procuring workers compensation insurance through participation in a pool of school districts from the state, the District will be able to more directly control and monitor its insurance costs. The District will be able to develop and implement safety programs tailored specifically to the needs and characteristics of its employees. These tailored safety measures will have a more immediate impact on savings to the District.

By joining the pool and obtaining workers compensation insurance through this means, the District will be grouped with other similar risks rather than with other types of dissimilar businesses. For these reasons, the Board finds that procurement of workers compensation insurance through competitive sealed bidding and competitive sealed proposals would not be advantageous to the District.

*Utah Code* § 63.G-6a-107 (1) (c) (2016)

Issue Date: 11.18.2009 Page 1 of 1